

# AFFAIRS OF THE DISTRICT DISCUSSED; COMMISSIONERS REPORT TO PRESIDENT

Total Expenditures for the Year, Exclusive of Water Department and Special and Trust Funds, Aggregate \$9,088,554.67. Authorization Asked for the Treasurer to Make Advances From United States Funds

The Commissioners of the District of Columbia today forward to the President of the United States their report of the conduct of municipal affairs, and the administration of their respective offices during the fiscal year ended June 30, 1903.

The financial condition of the District is set forth in detail; pending legislation is discussed; the status of the various departments is explained and recommendations are made with a view of facilitating the administration of local government.

## Finances

The first item included in the report is, perhaps, of the greatest material importance, in that it enumerates the expenditures and revenues for the year. It is stated that the total expenditures for the twelve months, exclusive of those for the Water Department, and expenditures on account of special and trust funds, aggregate \$9,088,554.67.

This amount embraced \$9,051,980.00 appropriated for the fiscal year 1903 and prior years, and \$36,574.67 appropriated for the fiscal year 1904 and made immediately available, the details of which appear in the report of the Auditor.

During the year the indebtedness of the District for advances from the United States Treasury was reduced from \$1,759,238.34 to \$1,653,517.51, and \$35,184.16 applied in payment of interest on the former amount.

"If the total appropriations," says the report, "for which the District funds were liable up to June 30, 1903, had been expended, advances from the Treasury aggregating \$3,266,867.74 would have been required; the difference between the actual advances and the total authorized liability being principally due to the fact that a large part of the latter, embracing, among other items, those for sewage disposal and the filtration plant, had not matured."

The Commissioners have recently been advised by the Comptroller of the Treasury that the District has a further matured liability of \$300,000 for two payments of \$150,000 each to the Treasurer of the United States in trust for the Baltimore and Ohio Railroad Company, to meet the District's half of \$1,500,000 required to be paid in connection with the railroad terminal improvements under the act of February 12, 1901.

**Water Department.** The revenues of the Water Department during the year 1903, including repayments, amounted to \$464,860.02, which were \$91,139.98 less than the expenditures by requisition during that period. The balance in the water fund at the beginning of that year was \$419,233.92, thus leaving a balance in the Treasury to credit of the water fund on June 30, 1903, of \$328,093.94, most of which is pledged to the construction of the new Trumbull Street pumping station, now in process of erection.

**Funded Debt.** The funded debt of the District of Columbia on June 30, 1903, was \$12,928,630.18, all of which was incurred under the forms of local government which existed in the District prior to July 1, 1878. The details of this debt were printed in The Times several weeks ago.

No change has occurred in the status of the conditional obligations of the District to redeem drawback certificates issued for overcharges of special assessments levied by former municipal governments of the District, aggregating about \$10,000.

The Assessor reports the total assessed value of taxable real and personal property in the District of Columbia on June 30, 1903, at \$230,769,372.

The rate of general tax on real and personal property was fixed at \$1.50 per \$100 of the assessed valuation of such property.

Based upon the census of 1900 and the normal rate of increase the Commissioners estimate the population of the District to be approximately 265,000.

## Extraordinary Projects

Authorization for the Secretary of the Treasury to make advances from United States funds is urged, to enable the District to meet its share of the cost of extraordinary improvements, the advances to be repaid by the District in installments and with interest. This report says can be done by the District out of current revenues without hampering current expenditures. If this is not done, the report submits, District finances will be left in an uncertain and embarrassed condition.

Commenting upon the fact that Congress has so far declined to permit the District to issue bonds to meet the expenses of extraordinary municipal improvements, the report says: "Congress has authorized and directed in recent years extraordinary municipal improvements for the District of Columbia, notably the filtration plant, the sewage-disposal system, the District Building, all heartily approved by the Commissioners and the community, of which the District of Columbia is required to pay half the cost, besides the contribution which it is required to make toward the new railway terminal improvement. All these projects would be provided for elsewhere by a bond issue. Congress was not willing to authorize the issue of bonds for this purpose, and thus far it has made no permanent arrangement to enable the District to properly carry its share of the burden."

**Bond Issue Urged.** "For three years Congress has made temporary provision from year to year for advances from the Treasury of the United States to the District, to be repaid with interest, to meet any deficiency in the District revenues on the general account, including both extraordinary and current expenditures. This legislation expires the 1st of July, 1904, and the amount then due on that ac-

count is to be repaid within five years from that day. Congress has made no provision for the District's share of the cost of the extraordinary improvements after the 1st of July next, although it is evident from the projects authorized that larger amounts will be required on that account after that day. It is apparent, therefore, that the matter will be considered by Congress at the coming session."

Congress is asked to distinguish between current expenses and for those for extraordinary projects of improvement in considering the estimates for the appropriation for the current fiscal year. Says the report: "Everywhere else it is recognized that the cost of such improvements cannot be met out of current revenues and ought to be spread over a series of years, and therefore it is customary to meet it by an issue of bonds with the usual provision for repayment by a sinking fund."

## District Has to Borrow.

"The United States does not have to borrow money in any way to meet its share of such expenditures in the District of Columbia. But the District of Columbia must borrow money like any other municipality to meet its share of the cost of such improvements, because its current revenues cannot meet immediately such extraordinary demands without compelling such a reduction in current expenditures as would cripple the municipal services."

## Estimates Explained.

The aggregate amount of the estimates submitted for the next fiscal year is \$12,886,725, exclusive of those for the Water Department, which amount to \$132,750. The sum of \$4,625,125 is chargeable to the account of extraordinary improvements, which must be appropriated for next year.

The items making up this last amount are: Sewers and sewage disposal system, \$1,507,000; filtration plant, \$1,588,150; District Building, \$200,000; Connecticut Avenue Bridge, \$200,000; Anacostia Bridge, \$100,000; municipal hospital, \$150,000.

The estimate for current expenditures, as reduced by the Commissioners, is \$8,261,570.

## Funds Available.

The appropriation fund, as estimated by the Commissioners, will be \$3,281,770 at the close of the next fiscal year, or more than sufficient to meet estimated current expenditures.

The estimated revenue for the next fiscal year is \$4,730,936.10. The sum of \$2,000,000 is deducted from this amount for advances that will probably have to be made by July 1 next, together with a payment of \$150,000, the District contribution to the Baltimore and Ohio Railroad terminal work. The balance remaining, \$4,140,936, is doubled by the addition of the share of the United States toward District expenditures, and is the Commissioners' estimate of the available appropriation fund.

The Commissioners urge Congress to make a disposition of the question of



COMMISSIONER MACFARLAND.

and in the course of twenty-five years there has not been a uniform development of all the branches of the government, so that some are more modern in method, better equipped in personnel and facilities than others."

## Memorial Bridge.

The proposed Memorial Bridge across the Potomac to Arlington again receives the endorsement of the Commissioners.

The recommendation of last year that civil service be extended to the District is repeated.

The Commissioners ask that provision be made for a substitute to act for either of the civil Commissioners in case of disability or death.

The establishment of the office of Secretary of the District of Columbia is urged with the recommendation that the incumbent be authorized to act in the case of disability or death of either of the civil Commissioners. If this is not done the Commissioners ask that contracts for construction work, like all others, shall be valid when signed by a majority of the Board.

## District Building Site.

The gratitude of the Commissioners for the transfer of title to the site for the proposed District Building, from the United States to the District of Columbia, and for the increase allowed



COMMISSIONER WEST.

providing for the District expenses which will cover at least a decade to come.

## Investigating Committee

The Commissioners record the appointment of a committee consisting of the Health Officer, the Auditor, and a member of the Engineer Department, to examine all the departments of the District government and to report on their condition and methods of doing business, with a view to suggesting improvements. The Commissioners assert the belief that this committee will suggest improvements which would prove beneficial to the District service.

"All the recommendations of the Commissioners," says the report, "to Congress for the improvement of the District services have not been carried out,

as the limit of cost for site and building, is expressed to Congress.

The Commissioners request that the District be allowed two appointments for West Point Military Academy, instead of one, as at present.

The fact is recorded that the Commissioners received and reported upon ninety-two bills from the Senate, and eighty-one bills from the House, introduced during the last session of the Fifty-seventh Congress.

## Board of Education

The public school system is praised, and the statement is made that it was never so well housed or equipped as now.

No school children who now apply for admission to the schools are turned away, owing to increased facilities, and

the report says it is now practicable to consider a substitute for the ineffective compulsory education law.

The Commissioners recommend the estimates for the erection of the Business High School, for the extension of the McKinley Training School, and for the purchase of a site for the extension of the Armstrong Manual Training School.

The appointment of James E. Fitch to the vacancy on the Board of Education, caused by the declination of G. H. Harries to serve, is mentioned.

## Number of Pupils.

The whole number of pupils enrolled in the public schools was 48,745; 22,987 white, and 15,758 colored, an increase of 0.64 per cent over the year before. One thousand three hundred and seventy-one teachers were employed, of whom 825 were white and 446 colored. The whole number of male teachers, including supervising principals, was 173, and the number of female teachers 1,198.

Small salaries paid to teachers in the District schools, and greater inducements offered in Government employ for educated men, is ascribed as the reason that a relatively small number of men are employed in the service.

The schools were in session 174 days. There were 1,843 pupils enrolled in the night schools, which were in session 43 nights, and engaged the services of 52 teachers. Of the entire enrollment of the schools, 1,774, or 3.64 per cent, were in the kindergartens; 43,310, or 88.85 per cent, were in the first eight grades; 2,673, or 5.48 per cent, were in the high schools; 818, or 1.68 per cent, in the manual training schools, and 170, or 0.35 per cent, in the normal schools.

The District of Columbia owns 157 school buildings. During the year past of the year eight schools were dedicated and opened. In the course of the year five new schools and additions to four others are to be completed and occupied. This will add accommodations for 2,770 pupils, reducing still further the number of enforced half-day schools.

## In Next Annual Estimates.

The need for additional school facilities in Georgetown, in the extreme northeast section, at Chevy Chase, Benning, Anacostia, Tenleytown, and to relieve Columbia Heights and Mount Pleasant schools, the Commissioners announce, they will be asked to provide for in the next estimates.

The restriction of membership in night classes at the schools, to persons not over twenty-one years of age, the Commissioners indicate, works hardship upon many worthy people who desire to secure education denied them at an earlier age, and they recommend that the restriction be removed.

The importance of making provision for a permanent home for the Washington Normal School is presented.

## Board of Charities

The approval of the policy and recommendations of the Board of Charities is renewed. The Commissioners believe that the Board of Charities and the Board of Children's Guardians should be appointed by the Commissioners, and that all charitable institutions which can properly be considered public should be directly under the control of the Commissioners.

The importance of marking clearly the line between public appropriation and private benevolence is again pointed out, and in the preparation of the estimates care has been exercised to eliminate from the appropriation bill such institutions as the Commissioners consider should be supported by private contributions. Harmony and co-operation among the various institutions is to be sought by the centralization of the control and management of local charities.

## New Workhouse.

The continuation of the construction of the new workhouse is urged, and the Commissioners represent that the present system by which several prisoners are kept in a single cell is entirely indefensible and almost disgraceful.

The commencement of construction on the new municipal hospital is urged, and especial reference is made to the imperative need for immediate provision for the care of tuberculosis patients, indigent, non-valetudinal patients, and general chronic cases.

In regard to child-caring work, the

board once more emphasizes the need of organization, it being practically impossible for the seven independent duplicate agencies to work with efficiency and co-operation. It is recommended that the general supervision of all child-caring work in the District of Columbia be centralized in the Board of Children's Guardians.

## Change in Systems.

It is recommended that an industrial training school for negro children be established as a public institution, in order that there may be proper training facilities for both white and negro children who are public dependents and who are not fitted for placement in private homes, or as a preparation for such placement.

It is strongly urged that a juvenile court be established, entirely independent of the Police Court.

An urgent request is made for an appropriation to build the new almshouse provided for by Congress, the grounds for which have been purchased and the plans prepared. The present structure is ill adapted for its purpose, the report says, many old persons being practically prisoners in the third and fourth stories of the building because they are unable to go up and down stairs; and the building is badly protected against fire.

## Watson Defalcation

Regarding the Watson defalcation, the report says:

"A serious defalcation in the office of the Auditor, extending over a period of three and a half to four years, was discovered in the month of June, 1903. One of the employees in the Auditor's office, James M. A. Watson, had, during the period named, appropriated to his own use checks amounting to \$12,423.27. The arrest of the culprit was immediately ordered by the Commissioners and he is now in jail awaiting action by the grand jury. The theft was made possible through continued lack of sufficient safeguards, a condition which led to the appointment of John R. Garrison as Auditor on August 18, 1903, to supersede J. T. Petty, and to the entire separation of the Auditor's offices from the receipt and payment of money, the office now being restricted to its legitimate functions of auditing and accounting."

## Theft Was Beneficial.

"Mr. Garrison, who, after long service in the Treasury Department, achieved a brilliant record as auditor of Porto Rico, has already accomplished many reforms in the Auditor's office, improving and systematizing the methods of doing business. In fact, the de-

falcation of Watson has not been without its redeeming feature, for it has led to a thorough investigation of conditions which made the theft possible and the consequent remedy of faulty methods."

"In this connection, the Commissioners desire to endorse the recommendations in the report of the Auditor, especially those relating to the treatment of the whole cost deposit fund and to the settlement of checks drawn in payment of claims against the District and which have remained outstanding unsatisfied and unpaid for three years or longer. There is every reason why the clerical force of the Auditor's office should be increased. The work has expanded with the growth and development of the District, and the expense involved in additional salaries will be more than compensated by the increased thoroughness with which the thousands of accounts and the books of the offices of the Assessor and Collector will be examined."

The Commissioners approve the recommendation of the Assessor that all corporations which by reason of incorporation receive no special franchise or privilege be assessed and taxed as individuals and partnerships conducting the same kind of business or enterprise are assessed and taxed.

**Arrears in Taxes.** The efforts to enforce the payment of arrears of taxes, following the enactment of appropriate legislation, says the report, have been unusually successful, the receipts from this source alone during the past fiscal year having been \$406,173.06. Excluding the unpaid realty tax for 1903, the total arrears outstanding for the twenty-six years from 1877 to 1902, inclusive, amounts to only \$137,008.12, and it is fair to say that this sum represents properties of such doubtful value as to make the payment of taxes very questionable.

The Commissioners suggest the enactment of a law stating the maximum bonus which the purchaser of property at a tax sale can receive for surrender of the tax deed, for the benefit of property owners who have innocently allowed the payment of taxes to be omitted.

The Commissioners will also renew their effort, inaugurated last year, to secure legislation which will provide that any tax or assessment omitted from a certificate of taxes shall be absolutely canceled, and not, as the law now provides, barred only as to a subsequent purchaser.

**Purchase of Supplies.** The matter of the purchase of supplies for the District government, without competition in the open market, is discussed at some length. Says the report: "Under the order of the Commissioners adopted May 23, 1885, all requisitions for general supplies, except in the Engineer Department, were filled upon the order of the Auditor and the property clerk, the submission of requisitions to the Commissioners being provided for only in cases where the propriety or expediency of granting a requisition was a matter of doubt in the minds of the subordinate officers. After the discovery of the defalcation of Watson, and while the Auditor's office was in charge

of the acting auditor, the attention of the Commissioners was invited to these requisitions.

"Investigation showed that an unduly large proportion of the articles purchased were being secured in the open market, and in many cases without competition and upon a mere verbal agreement, the dealer not being required to sign a contract or to give bond for the faithful performance of his agreement. These open-market purchases have been superseded by competitive bids on all supplies not included in the annual schedules, the result being a great saving to the District."

## Supplies by Contract.

"It will be the endeavor of the Commissioners in the future to put under contract all supplies furnished the District, thus eliminating every possible suspicion of favoritism or collusion. As a means of improving the entire system of purchasing and distributing District supplies, the Commissioners have incorporated into their estimates a scheme for the reorganization of the office of the property clerk and consolidation with that of the superintendent of property of the Engineer Department."

**Tax Assessment.** The imposition of a personal tax law by Congress resulted in the collection last year of \$471,564.26 as taxes upon personal property. Although a personal tax is always more or less objectionable, and its enforcement apt to become a dead letter, the Commissioners state, the citizens of the District have accepted the legislation with the minimum of opposition.

The Commissioners recommend a reduction in the tax levied on building associations and savings banks, and the exemption of such art galleries owned by private citizens as are frequently thrown open to the public without charge.

Remedial legislation is suggested to correct discrimination between certain

corporations and individuals carrying on the same kind of business.

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**Anacostia Flats.** Gratification is expressed at the excellent progress made in the improvement of the Anacostia River, which the Commissioners have repeatedly recommended.

The Commissioners ask that provis-

High Praise Bestowed Upon the Public School System---Juvenile Court, Entirely Independent, Recommended---Necessity for a New Almshouse Pointed Out---Details of Watson Defalcation.

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An asylum for inebriates is also favored.

Attention is called to the opening of the new Washington Public Library, January 1 last. It is proposed to establish branch libraries in various sections of the city.

## Health Department

The reports of the Health Department and of the Superintendent of the Bathing Beach, which were published in full in The Times several days ago, is submitted.

## Fire Department

It is pointed out that the appropriation made for the Fire Department has for several years been insufficient. The men of the department are also, it is said, poorly paid. An earnest appeal is made to Congress to grant the increase recommended.

The belief is expressed that a superintendent is needed to perform the supervisory duties. Praise is extended to both former Chief Dutton and the new Chief Engineer, William T. Belt.

The discipline continues good. The Commissioners would discourage the filing of charges against men for trivial offenses. Approval is given the action of the department in rewarding men for performing exceptional services. This reward is either in the way of promotion or extra time off.

Attention is called for the need of more and improved fire houses. It is believed that larger water mains

ion be made for the improvement of the Anacostia River above the Navy Yard Bridge. This, they advance, will benefit the sanitary condition of the District of Columbia, especially in the eastern section, and add to the attractiveness of the city.

## Penalty Envelopes

The Commissioners express the belief that the privilege of using the penalty envelopes should be granted by Congress and the necessary legislation promptly recommended.

The Commissioners contend that in 1884 they were orally authorized to use the envelope by the Postmaster General, which was done until August 24, when the Commissioners were informed by Postmaster General Payne that in pursuance of an opinion of the Attorney General for the department they were prohibited from using the envelopes. The law given is that the Commissioners "are not officers of the General Government of the United States, nor is District business that of the United States, within the meaning of the statute authorizing use of the envelopes."

## Parks and Playgrounds.

The Commissioners are heartily in favor of more parks and also that the public schools should be provided with playgrounds.

It is recommended Congress consider an amendment to the code, which will allow the collection of incorporation fees and taxes. This, it is believed, would greatly increase the revenues.

Need is expressed that the law relating to the opening and closing of alleys and minor streets should be amended.

The Commissioners would also like to make suitable arrangements for the inspection of lumber and flour.

An important request is that the Commissioners should be authorized to remit fines and grant pardons for offenses against municipal laws and ordinances.

Complaint is made that there is no law which limits the billboard form of publicity. There is much opposition to the increase.

## Electrical Department.

Praise is given the Electrical Department for the good work done, especially in the success achieved in placing so many public and private telephone wires underground. Legislation is asked for that the Commissioners may deal more effectively with the matter of electrical wiring, so as to diminish the dangers to the public.

## Police Department

The police organization is complimented highly on the maintenance of its high standard. The force, it is pointed out, is free from scandal and has, considering its limited numerical strength, given excellent service.

It is set forth that owing to the demand for labor in the District the salary of \$15 a week is not sufficient to induce competent men to join the department, and the force has suffered. Owing to the growth of the city and the need of an increased force it is recommended that the salary be increased from \$720 to \$900. The report also expressed that the captains and lieutenants should be taken care of. The salaries it is said are much lower than in any other large city.

## New Stationhouses.

The Commissioners also point out the need of more new stationhouses, especially one in the First precinct. A new Police Court building is regarded as most important.

The Commissioners have under consideration the question of the establishment of a magistrate system for the trial of petty offenders. It is believed by the heads of the department that the system would be of great benefit.

Need is expressed for laws to regulate the sale of opium and cocaine, to punish fugitives from justice, increase the penalty for the second offense of larceny, and to put probationary officers under the Superintendent of Police.

## Favor Consolidation.

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